

Iran: Persian Gulf Import Traffic

Since the seizure of the US Embassy on 4 November, the volume of imported manufactured goods and foodstuffs moving to and through Iranian seaports on the Persian Gulf has declined substantially. Most important is the cutback in the scheduled cargo liner services that deliver most of the industrial products purchased by Iran in the United States, Western Europe, and Japan. The number of scheduled ship departures from these countries to Iran per month has dropped by almost a third from 47 at the end of October to about 32 at the end of November. [REDACTED]

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Because liner voyages to Iran take as long as a month, the full impact of the cutbacks in liner services and shipments to Iran that began to surface at the end of November should become evident between now and Christmas. Seaborne imports of dry cargo peaked at 13 million tons (a monthly rate of 1.1 million tons) in the Iranian year that ended 20 March 1978. Following the ouster of the Shah, however, volume fell by almost one-half to an annual rate of 7.5 million tons (625,000 tons per month) as of mid-1979. If trade drops in proportion to the recent cutback in shipping services, import volume through Persian Gulf ports could decline to an annual rate of less than 5.3 million tons (440,000 tons per month) by the beginning of 1980. [REDACTED]

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The causes for the reduction in liner services include the refusal of US longshoremen to load cargo for Iran; the dropping of port calls at Iranian ports by US and foreign shipowners unwilling to risk seizure, mob violence, or an outbreak of hostilities; and a decline in the volume of cargo being shipped because of uncertainty over credit. Declaration of the Persian Gulf as a "war zone" and the quadrupling of insurance rates for ships visiting Iranian ports may also be a factor. In trade from Western Europe and Japan, services have been both cancelled and cut back. Counter to this trend, a consortium of Arabian national companies (The United Arab Steamship Company) has recently added Iran to the itineraries of its ships on the Japan-Persian Gulf route. [REDACTED]

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